Project Director Joint Services

PM Acquisition Panel Brief

For

Munitions Executive Summit

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New PD JS Mission/Vision (Nov 11) and Top 5 Goals and Focus Areas

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Mission

Enable the SMCA to effectively provide ammunition and services to the Joint Warfighter

Vision

World class organization of highly qualified professionals earning customer trust and satisfaction through responsive delivery of high quality products and services

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Goals and Focus Areas

1. **Ammo Supply Chain Management**
2. **Correct Industrial Base inefficiencies through AAP modernization and consolidation**
3. **Reduce Demil stockpile, implement innovative Demil solutions and efficiencies and resolve Demil Enterprise roles and responsibilities**
4. **Update of SMCA Industrial Base Strategic Plan**
5. **Maintain continued SMCA customer satisfaction with Air Force, Navy, Marine Corps and SOCOM**

PD Joint Services
Five Primary Responsibilities

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SINGLE MANAGER FOR CONVENTIONAL AMMUNITION (SMCA) RESPONSIBILITIES:

- Coordinate and integrate the DoD's SMCA activities on behalf of PEO Ammunition
- Manage transition of Services' conventional ammo items into the SMCA account
- Annual Survey measures performance

AMMUNITION INDUSTRIAL BASE:

- Manage Ammunition Industrial Base modernization
- Section 806 implementation & Single Point Failure (SPF) Program
- Execute Armament Retooling & Manufacturing Support (ARMS) efforts
- Ammunition Industrial Base strategic planning

PRODUCT MANAGER DEMILITARIZATION:

- Demil of all DoD conventional ammunition
- Demil research & development projects
- Ammunition Peculiar Equipment (APE)

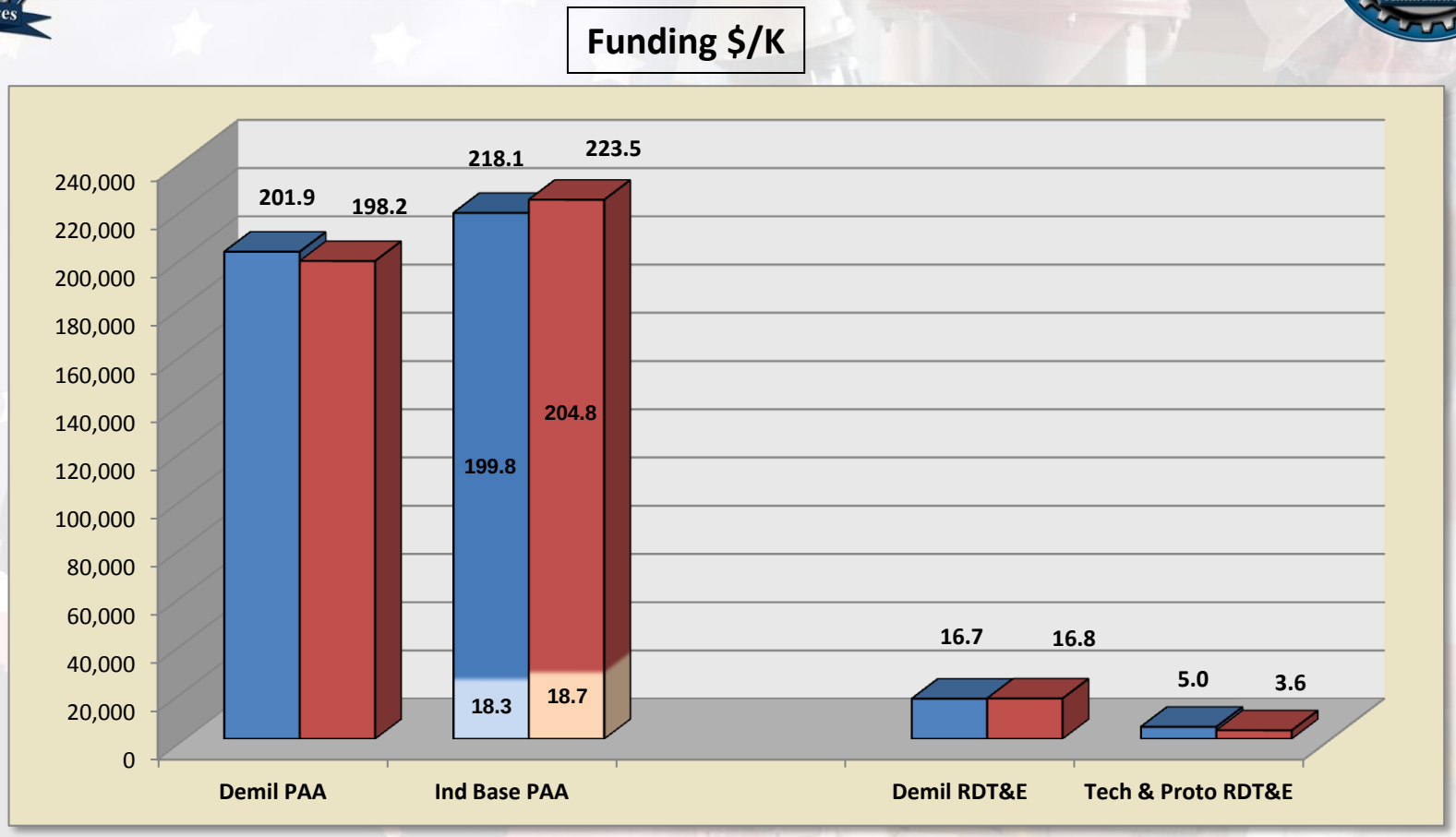
MANUFACTURING TECHNOLOGY AND PROTOTYPING:

- Manufacturing Technology solutions for the Ammo Industrial Base addressing:
  - Single Points of Failure/No Source of Supply
  - Cost reduction efforts
  - Production efficiencies

AMMUNITION LOGISTICS:

- Manage US Army ammunition logistics R&D efforts
- Develop/synchronize joint ammunition logistics programs with other Services

Joint Services FY12-13 Program Funding



FY12 $ (FY12 MIF/LIF $)

FY13 $ (FY13 MIF/LIF $)

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GOCO AAP Capability and Modernization Funding

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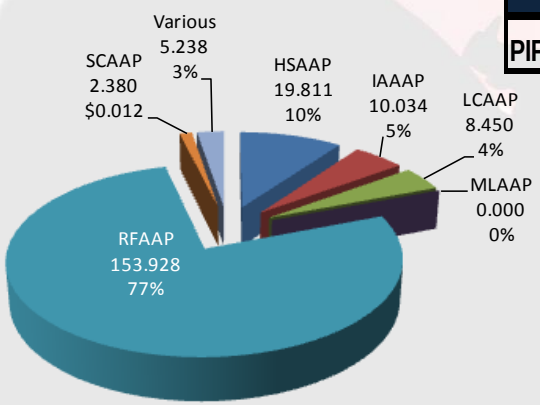
GOCO Facility	Core Processes	FY03-10	FY11	FY12	FY13	FY03-13
Radford (VA)	Propellant Manufacturing (Rocket, Artillery, Tank, Med; NC for all Propeallants)	394.092	22.674	153.928	38.046	608.740
Lake City (MO)	Small Caliber	305.354	16.860	8.450	95.323	425.987
Holston (TN)	Explosives - HMX, RDX	316.582	87.684	19.811	37.458	461.535
Scranton (PA)	Large Caliber Metal Parts - Artillery / Mortars	59.735	1.230	2.380	8.265	71.610
Iowa (IA)	Load, Assemble & Pack (LAP) - Tank / Artillery, FASCAM	107.278	11.592	10.034	15.726	144.630
Milan (TN)	LAP - Mortars, 40mm cartridges; C-4 Extrusion	18.138	3.273	0.000	1.323	22.734
Design / Non-PEO	Engineering Design / ATEC	30.902	3.932	5.238	8.706	48.778
	Total	1,232.081	147.245	199.841	204.847	1,784.014

FY12 $M



($M)	FY13	FY14	FY15	FY16	FY17	TOTAL
PIF - FY2013 PRESBUD - (FEB 2012)	204.847	226.314	223.945	199.366	204.130	1058.602
PIF - HQDA POM Submit June 2011	222.127	218.439	218.89	204.689	199.888	1064.033

159 Ongoing Modernization Projects

Current Status of GOCO Facility Use and Supply Contracts

GOCO Army Ammunition Plants	Current Terms
Holston (BAE Systems)	Facility Use – 25 yrs thru Sep 2023 Supply – 5 yrs thru Sep 2012
Iowa (American Ordnance)	Facility Use–10 yrs thru Dec 2018 w/ three, 5 yr options Supply- 5 yrs thru Dec 2013
Lake City (ATK)	Facility Use – 25 yrs thru July 2024 Supply – 10 yrs + extension thru Sep 2012
Milan (American Ordnance)	Facility Use–10 yrs thru Dec 2018 w/ three, 5 yr options Supply- 5 yrs thru Dec 2013
Radford (BAE Systems)	Facility Use –10 yrs thru May 2022 w/ three, 5 yr options
Scranton (GD-OTS)	Facility Use – 10 yrs thru Dec 2012; extension thru Jun 2013
Quad Cities Cartridge Case Facility (Norris Industries)	Facility Use - 5 yrs thru May 2016 w/ four, 5 yr options

Technology and Prototyping Projects With Transition Opportunities to the Private Sector

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- TNC Pilot Scale Development (TNC is a binder component used in pyrotechnic mixes for mortar illumination rounds)
- Spheroidal Propellant as an Alternative to Ball Powder (used in small/medium/large caliber ammo and mortar prop charges)
- On Demand Lead Azide (a primary explosive component)
- Alternate Primer for use in Hand Grenade Fuzes (M213/M228)

Potential Private Sector Demil Opportunities

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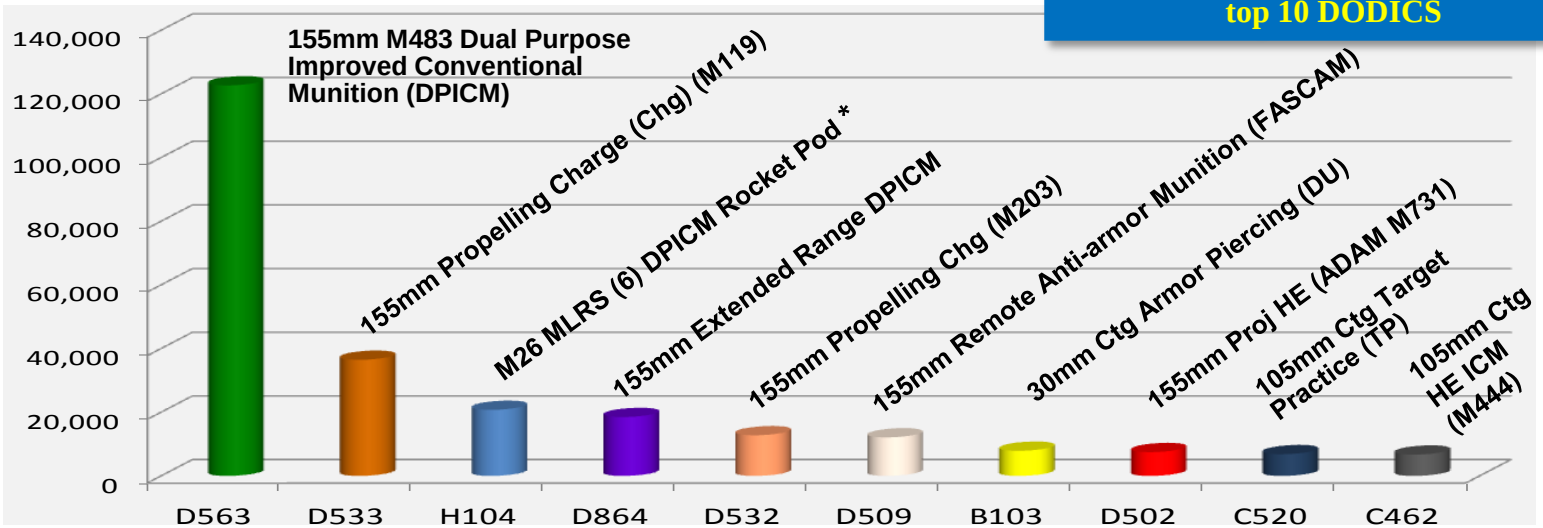
Examples of Demil Transition Opportunities to the Private Sector

- Demil Investment Study results: Good potential to leverage commercial industry to increase demil efficiencies
- Efficient removal of cast cured Thermoset insensitive explosives from munitions
- Efficient recovery and reuse of magnesium from illuminating rounds

MAJOR DEMIL STOCKPILE ITEMS (TONS)

41% of the stockpile tonnage is in the top 10 DODICS



Data as of Dec 2011

Concentrate on major stockpile munitions
- **Best opportunity for recoupment of facility costs**
- **Establish multiple capabilities; maximize cost efficiency**

*Additional 133K tons MLRS in Field Service Accounts Worldwide (CONUS + OCONUS)

Section 806 Public Law 105-261

(National Defense Authorization Act for FY 1999)

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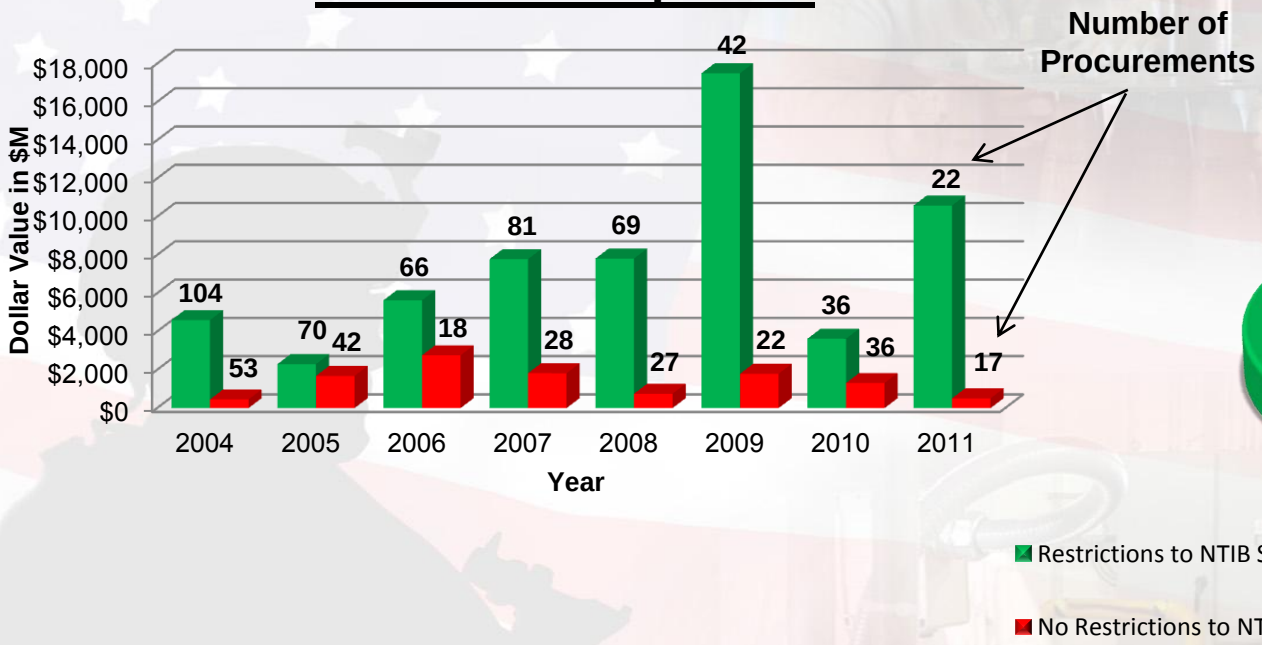
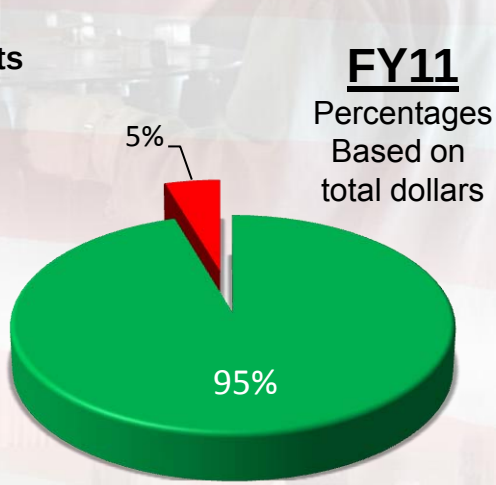
806 Process Determines if Proposed Procurement Approach Places Unacceptable Risk on the NTIB Supply Chain for Responding to National Emergency & Industrial Mobilization

Historical Perspective





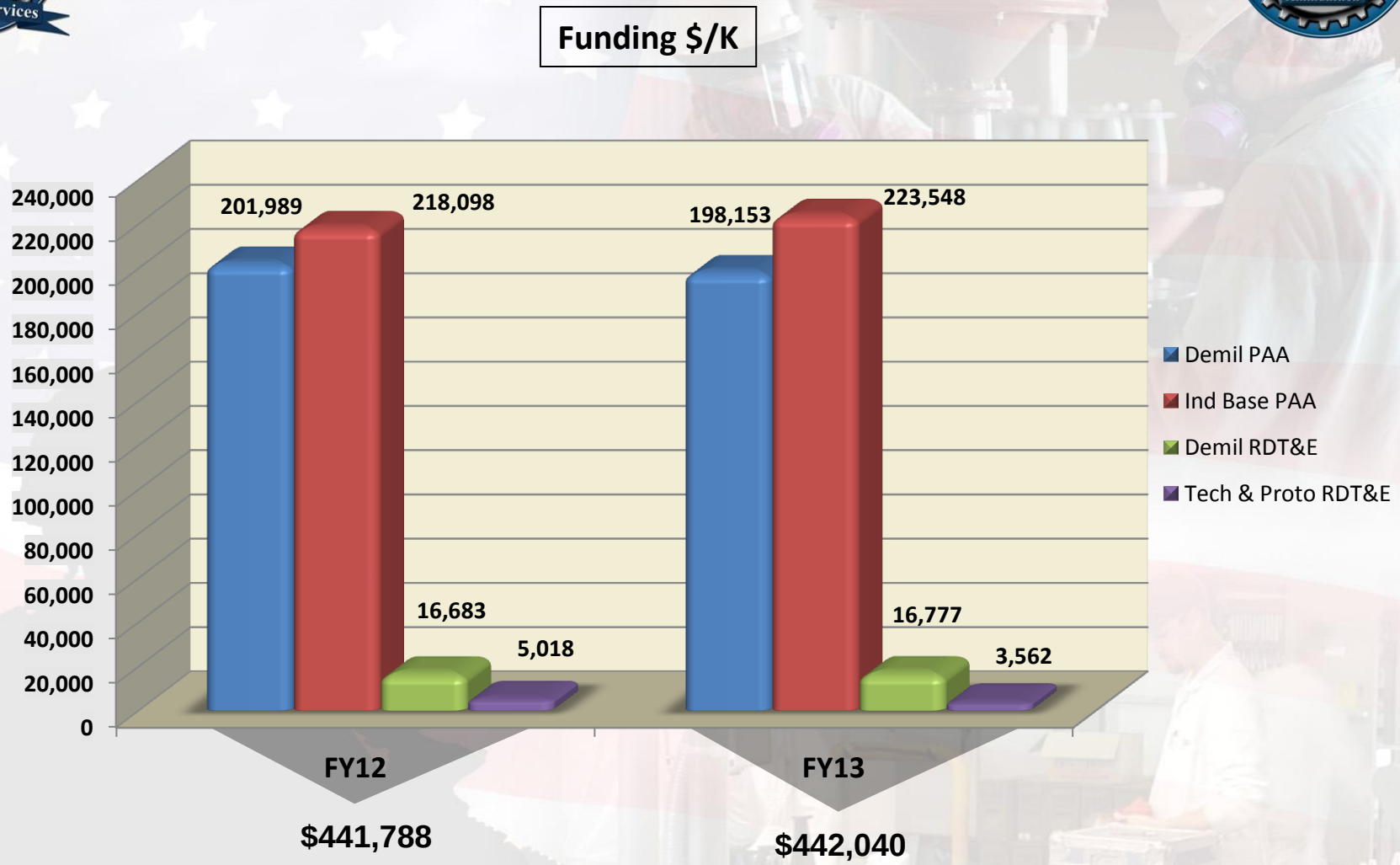
Requirement.--The official in the Department of Defense designated as the single manager for conventional ammunition in the Department of Defense shall limit a specific procurement of ammunition to sources within the national technology and industrial base in accordance with section 2304(c)(3) of title 10, United States Code, in any case in which that manager determines that such ***limitation is necessary to maintain a facility, producer, manufacturer, or other supplier available for furnishing an essential item of ammunition or ammunition component in cases of national emergency or to achieve industrial mobilization***.

Ammo Industrial Base Challenges

1. Financial viability of ammo supply chain
2. Fund sustainment and modernization of organic industrial base facilities
3. Deliver efficiencies in accordance with Better Buying Power initiatives
4. Mitigate Risk of Single Point Failures
5. Modernize AAPs without disrupting production and logistics operations

Backup

Joint Services FY12-13 Program Funding



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